FOR IMMEDIATE RELEASE
Monday, December 19, 2016

BOSTON – General Electric Corporation (GE), headquartered in Boston, has entered into an agreement to resolve violations concerning Department of Defense (DOD) contractual requirements.

GE will pay $2,550,180 to resolve claims that from July 1, 2010, through April 30, 2014, GE’s subsidiary, Avio Aero, in Italy, failed to consistently perform interim pressure tests on gearboxes used in T700 and F110 engines in DOD helicopters and fighter jets, respectively. The government alleges that Avio’s failure to conduct the pressure tests violated provisions of contracts GE entered into with the Army, Navy and Air Force. The United States further alleges that Avio did not provide notice of the skipped tests, but rather stamped documents to indicate that such testing had been conducted.

“By failing to conduct these pressure tests consistently, and representing that the tests had been completed, Avio deprived the United States military of the necessary information to evaluate whether or not to accept Avio’s parts for use in important military equipment,” said United States Attorney Carmen M. Ortiz. “We commend GE for bringing this issue to the government’s attention and for working proactively with us to resolve it.”

U.S. Attorney Ortiz; Michael Connor, Resident Agent in Charge of the U.S. Army Criminal Investigation Command; Leo Lamont, Special Agent in Charge of the U.S. Naval Criminal Investigative Service, Northeast Field Division; David Priest, Special Agent in Charge of the U.S. Air Force Office of Special Investigations; and Craig Rupert, Special Agent in Charge of the Department of Defense, Office of Inspector General, Defense Criminal Investigative Service, Northeast Field Office. The case was handled by Assistant U.S. Attorney Sonya A. Rao of Ortiz’s Civil Division.